

Crown Pastoral Land Tenure Review

Lease name : GLENTHORNE

Lease number : PC 049

Due Diligence Report (including Status Report)

This report and attachments results from a pre-Tenure Review assessment of the pastoral lease for the purpose of confirming land available for Tenure Review and any issues, rights or obligations attaching to it. The information is gathered from files and other sources available to the LINZ contractor.

Part of the information relates to research on the status of the land, resulting in a Status Report that is signed off by a LINZ approving officer. The remainder of the information is not analysed for relevancy or possible action until required, and LINZ does not guarantee its accuracy or completeness as presented.

The report attached is released under the Official Information Act 1982.

November 05

**DUE DILIGENCE REPORT
CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:**

File Ref: CON/50241/09/12 645/A-ZNO-01 **Report No:** QVV 49 **Report Date:** 25/02/2001

Office of Agent: CHRISTCHURCH **LINZ Case No:** 01/ **Date sent to LINZ:** 01/03/2001

RECOMMENDATIONS


1. That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in accordance with the Pre Tenure Review Assessment Standard;
2. That the Commissioner of Crown Lands or his delegate **note** the following incomplete actions:
 - (a) The rental review documentation has yet to be registered against the lease to give effect to the rental accepted by the lessee's.
 - (b) Regularise the use of 43.5 hectares of Conservation land south of Boundary Stream is that is fenced into and has been grazed as part of the lease since the early 1980's.
 - (c) Creation of an Easement to ECNZ over the proposed toilet site and access at Lake Stream near Lake Coleridge.
 - (d) Creation of an Easement in favour of Telecom for a transmitter site and access on the lease enabling upgrade of services to Rakaia Gorge.
3. That the Commissioner of Crown Lands or his delegate **note** that the following potential liability has been identified as a result of the file search:
 - (a) While the Crown's (lessor's) interest is not directly affected the provision of legal and practical access through the lease to the Landcare site remains insecure.
4. That the Commissioner or his delegate **note** the following matters:
 - (a) That an application for a Recreation permit over part of the lease for commercial recreation purposes is pending initiatives by the applicant, Mr R.J. Brown (previous permit expired late 2000). [Refer Appendix 8]
 - (b) That an application for a Forestry Right over part of the lease is also pending initiatives from the applicant, Mr R.J. Brown. [Refer Appendix 9]

Signed by Sub – Contractor:



Name: D. McGregor
McGregor Property Services Limited
Accredited Agent

Signed by Contractor



Name: B. Dench
Team Leader for Tenure Review
Quotable Value (Valuations)

Approved/Declined (pursuant to a delegation from the Commissioner of Crown Lands) by:

Name:
Date of Decision: / /

1. Details of Lease:

Lease Name: Glenthorne.

Location: At the end of Lake Coleridge Road 136km west of Christchurch.

Lessees: Glenthorne Holdings Limited (change of name from Glenthorne Station Limited subject to registration) and subleased to Glenthorne Station Limited.

Tenure: Pastoral lease of pastoral land under Section 66 and registered under Section 83 of the Land Act 1948.

Term: 33 years from 1 July 1987 (expires 30 June 2020).

Annual Rent: \$6750.

Rental Value: \$300,000.

Date of Next Review: 1 July 2009.

Land Registry Folio Ref: C.L. 529/72 (Canterbury Registry).

Legal Description: Part Run 280 situated in Blocks III VI VII VIII X XI XII XV and XVI Wilberforce and IX and XIII Harper Survey Districts and Sections 1 and 2 SO 16791, Section 1 SO 16792 and Sections 2 and 3 SO 16793.

Area: 10396.4132.

2. File Search***Files held by agent Knight Frank (NZ) Ltd on behalf of LINZ:***

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pc 049-SCH-01</i>	<i>1</i>	<i>1</i>	<i>13/10/1991</i>	<i>141</i>	<i>10/11/1965</i>
<i>Pc 049-SCH-02</i>	<i>2</i>	<i>142</i>	<i>24/01/1966</i>	<i>285</i>	<i>13/04/1978</i>
<i>Pc 049-SCH-03</i>	<i>3</i>	<i>286</i>	<i>11/04/1978</i>	<i>482</i>	<i>30/10/1989</i>
<i>Pc 049-SCH-04</i>	<i>4</i>	<i>483</i>	<i>19/04/1990</i>	<i>-</i>	<i>20/03/1997</i>
<i>Pc 049-SCH-05</i>	<i>5</i>	<i>-</i>	<i>26/05/1997</i>	<i>-</i>	<i>22/10/1998</i>
<i>Pc 049-SCH-06</i>	<i>6</i>	<i>-</i>	<i>06/03/1998</i>	<i>-</i>	<i>26/06/2000</i>
<i>Pc 049/1-SCH-01</i>	<i>1</i>	<i>-</i>	<i>01/07/1998</i>	<i>-</i>	<i>Current</i>
<i>Pc 049/5-SCH-01</i>	<i>1</i>	<i>-</i>	<i>01/12/1995</i>	<i>-</i>	<i>Current</i>
<i>Pc 049A-SCH-01</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Plans Only</i>
<i>CON/50213/08/12754/A-ZNO-01</i>	<i>1</i>	<i>1</i>	<i>15/10/1998</i>	<i>-</i>	<i>31/10/1998</i>
<i>CON50213/09/12754/A-ZNO-02</i>	<i>1</i>	<i>1</i>	<i>01/11/2000</i>	<i>-</i>	<i>Current</i>

Files held by agent Q.V. Valuations on behalf of LINZ:

File Reference: CON/50241/09/12754/A-ZNO-01

Volume: 1

First folio: 1

Date: 6 November 2000.

Last folio note: -

Date: Current

Other relevant files held by LINZ

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
6700/13/01/10-1-DCH	1	1	20/07/1989	120	17/03/1995

3. Summary of Lease document: *(Copy of CL 529/72 attached as Appendix 1).***3.1 Terms of Lease**

A 33 year term from 1 July 1987 at the Annual rental of \$6750 based on the Rental Value of \$300,000.

Rental review was undertaken as at 30 June 1998 and the new rental is being paid but the rent review has not been registered against the lease.

Stock limitation in Lease:

6600 sheep during the summer months and 6050 sheep during the winter months.

Commencement Date:

1 July 1954. Renewed for a further 33 year term from 1 July 1987 by Memorandum of Renewal of Lease No. 691341/1 (registered on 9 July 1987).

Other Provisions:

No other lease provisions.

3.2 Area adjustments

There are no area discrepancies. Historical adjustments to the lease in accordance with SO's 16791, 16792 and 16794 have been legalised.

3.3 Registered Interests*Easements*

Transfer A132690/1 (registered 5 September 1994) granting a Right of Way over Part Run 280 (GN773031/1) marked "C" and "G" on SO16791 and "L" on SO 16792 appurtenant hereto.

Mortgages

No registered mortgages.

3.4 Unregistered Interests

A search of available records did not reveal the existence of any current Recreation permits.

Lease from Landcare Research New Zealand Limited

Deed of Lease dated 24 December 1997 from Landcare Research New Zealand Limited to Glenthorne Station Limited whereby Harper Base (Section 1, SO 19909) is leased for a term of ten years from 31 December 1997 with rights of renewal of two further ten year terms at an annual rental of \$1.00.

Sublease from Glenthorne Holdings Limited

Glenthorne Holdings Limited (lessor) entered into a sublease with Glenthorne Station Limited (lessee) whereby the latter subleases the Pastoral Lease for a term of nine years from 1 July 1990 at the rental of \$6750 plus GST subject to certain conditions as specified.

Copy of sublease attached as *Appendix 2*.

4 Summarise any Government programmes approved for the lease:

No Government programmes approved – no Land Improvement Agreements registered and property is not part of any Rabbit and Land Management Plan.

5 Summary of Land Status Report:

A Land Status Report undertaken by D McGregor, McGregor Property Services Limited for and on behalf of Q V Valuations on 3 February 2001, confirmed the status of the land as Crown Land under the Land Act 1948, and registered under Section 83 of the same Act.

The land is subject to the registered interests included in *Clause 3.3* above and Part IVA of the Conservation Act 1987 upon disposition.

The minerals remain with the Crown as the land has never been alienated since its acquisition from the original Maori owners under the Kemp Purchase.

The report noted the following issues:

- 1) On 30 September 1997 the Commissioner approved the issue of a Recreation permit for commercial recreation purposes over part of the lease (3 year term from 1 October 1997) but there is no indication on file as to whether this was ever granted or is running on.
- 2) ECNZ advised the lessee on 28 August 1996 of proposals to implement commitments arising from the Lake Coleridge Working Party process to renew consents. This involved the construction of two toilets on the lease beside Lake Stream near its junction with the lake. The arrangements included the requirement for the lessees and the Crown's to agree to this use and the legalisation of any formal agreement (easements) being at the ECNZ's cost. It appears no agreement or legalisation of this action has been undertaken.
- 3) Approval was given in 1980 for the lessee to bulldoze a fenceline south of Boundary stream, the result being that an area of approximately 43.5 hectares of good grazable State Forest (now Conservation) land was fenced in with the lease and has been grazed for many years (*folios 325, 330, 334, on file P49*). Although the question of rationalisation was considered at renewal in 1986 (*folio 407*) and there is correspondence with DoC in July 1981 (*folios 727 and 728*) concerning the likelihood of incorporation of two areas of Conservation land into the lease no formal action has been undertaken.
- 4) On 27 September 1997 the Commissioner of Crown Lands notified the lessee of the values and new rental to apply as a result of rental review. The lessee was deemed to have accepted the terms. No action has been taken to register a Memorandum of Variation effecting the reviewed rent the lessees have been paying since 1 July 1998.
- 5) It is noted that an unregistered lease exists between the lessee and Landcare Research New Zealand Limited over the Harper Base facility (Section 1, SO 19909 - CT

44D/96) to overcome what would have otherwise been problematic boundary and access issues.

A copy of the Land Status Report is attached as *Schedule A*.

6 Review of Topographical and Cadastral data:

Both maps attached to the Land Status Report show there are no known transmission and other power lines, telecom and other installations, water races, dams or historic sites on the property.

The topographical map reveals the existence of an airstrip near the homestead.

6.1 Legal Roads – formed and paper

The Land Status Report indicates that the original Topo plan denoted the majority of the roads are legal by either Crown Grant of Section 110A of the Public Works Act 1928. Recent roading actions entailed the taking of land for road and stopping of road for incorporation into the lease (SO's 16792-16794).

6.2 Fenced Boundaries v Legal Boundaries (peripheral):

Approximately 43.5 hectares of State Forest (now Conservation land) south of Boundary Stream is fenced in with the Pastoral Lease and has been grazed under licence for many years.

See also Clause 8.2.

7 Details of any neighbouring Crown or Conservation land:

Western and Eastern boundaries - *RS 41164 and Reserves 3000, 3001 and 3002* are part of the Craigieburn Conservation Area administered by DOC under the Conservation Act 1987.

Northern boundary - Crown Land being part of DOC Allocation K34-1 held as stewardship land under Section 62 of the Conservation Act 1987.

8 Summarise any uncompleted actions or potential liabilities:

8.1 Rent Review

On 27 September 1997 the Commissioner of Crown Lands notified the lessee of the values and new rental to apply as a result of rental review. The lessee was deemed to have accepted the terms. No action has been taken to register a Memorandum of Variation effecting the reviewed rent the lessees have been paying since 1 July 1998.

Copies of relevant folios attached as *Appendix 3*.

8.2 Boundary Rationalisation – Boundary Stream

In 1980 an area of approximately 43.5 hectares of Conservation land south of Boundary stream was fenced in with the lease and has been grazed for many years (*folios 325, 330, 334 on file P49*). Although the question of rationalisation was considered at renewal in 1986 (*folio 407*) and there is correspondence with DoC in July 1981 (*folios 727 and 728*) concerning the likelihood of incorporation of two areas of Conservation land into the lease no formal action has been undertaken.

Copies of relevant folios attached as *Appendix 4*.

8.3 Easements to ECNZ over proposed toilet site and access at Lake Stream near Lake Coleridge

ECNZ advised the lessee on 28 August 1996 (and KFL and Council on 29 August 1996) of proposals to construct of two toilets on the lease beside Lake Stream near its junction with the lake. The arrangements included the requirement for the lessees and the Crown to agree to this use, for the Council to confirm its earlier agreement in principle to the establishment and ongoing maintenance of the toilets and ECNZ to bear legalisation costs of the required easements.

The file does not record any subsequent agreements or legalisation.

Copies of relevant folios attached as *Appendix 5*.

8.4 Telecom Easement for upgrade of telephone services to Rakaia Gorge – Fibre Optic cable

On 22 January 1996 Works Consultancy Services, on Telecom's behalf, sought entry to complete work for a transmitter site on Glenthorne as part of the upgrade of services to the Rakaia Gorge. Landcorp advised the Commissioners requirements on 16 August 1996 and indicated that the works may have been completed. On 24 April 1998 Knight Frank prepared a progress report indicating that clarification /re-activation of the application was required. There has been no further action to date.

Copies of relevant folios attached as *Appendix 6*.

8.5 Landcare New Zealand Limited Lease to the Glenthorne Station Limited lessee and access etc

Refer to Clause 3.4.

Deed of Lease dated 24 December 1997 whereby Landcare Research New Zealand Limited leases to Glenthorne Station Limited Harper Base (Section 1, SO 19909) for a term of ten years from 31 December 1997 with rights of renewal of two further ten year terms at an annual rental of \$1.00.

This lease is the outcome of negotiations to overcome issues relating to tenure, boundary adjustments and the provision of legal access that would have otherwise prevailed as outlined in the instructions to Knight Frank on The Treasury's behalf dated 6 September 1996. It is pertinent to note that in approving the Agreement in 11 June 1997 LINZ indicated that while the Crown's interest is not affected the provision of legal and practical access through the lease for research purposes by Landcare remains insecure.

Copies of relevant folios attached as *Appendix 7*.

Schedule A – Land Status Report

APPENDICES

- 1 Copy of Lease.
- 2 Copy of sublease.
- 3 Copy of relevant folios – Rent review.
- 4 Copy of relevant folios – Boundary rationalisation.
- 5 Copy of relevant folios – ECNZ Easements at Lake Coleridge.
- 6 Copy of relevant folios – Telecom Easement.
- 7 Copy of relevant folios – Access to Landcare site
- 8 Copy of relevant folios – Application for Recreation permit.
- 9 Copy of relevant folios – Application for Forestry Right.

Schedule A

LAND STATUS REPORT

GLENTHORNE

**for
Tenure Review**

**Prepared by Don McGregor McGregor Property Services
for and on behalf of Q.V.Valuations**

December 2000

Q V VALUATIONS CHRISTCHURCH OFFICE

APPENDIX A

Project Number QVV48

This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No. 50241 dated 6 November and is undertaken for the purposes of the Crown Pastoral Act 1998.

LAND STATUS REPORT for Glenthorne Tenure Review	LIPS Ref :12754
Property 1 of 3	

Land District	Canterbury.
Legal Description	Part Run 280 situated in Blocks III, VI, VII, VIII, X, XI, XII, XV and XVI Wilberforce and IX and XIII Harper Survey Districts and Sections 1 and 2 SO 16791, Section 1 SO 16792 and Sections 2 and 3 SO 16793.
Area	10396.4132 hectares.
Status	Crown land subject to the Land Act 1948.
Instrument of title / lease	Pastoral Lease CL 529/72 pursuant to Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal 691341/1.
Encumbrances	Subject to: 1. Transfer A 1372690/1 granting a Right of Way over Part Run 280 (GN 773031/1) marked "C" and "G" on SO 16791 and "L" on SO 16792 appurtenant hereto. 2. Part IVA of the Conservation Act 1987, upon disposition
Mineral Ownership	The Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under the 1848 Kemp Deed of Purchase
Statute	Land Act 1948 and Crown Pastoral Land Act 1998

Data Correct as at [Certification Attached]	3 February 2001 Yes
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Prepared by Crown Accredited Supplier	Don McGregor for and on behalf of Q V Valuations
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LAND STATUS REPORT for Glenthorne Tenure Review	LIPS Ref 12754
Property 1 of 3	

NOTES: This information does not affect the status of the land but was identified as possible requiring further investigation at the due diligence stage: See Crown Pastoral Standard 6

- 1) On 30 September 1997 the Commissioner approved the issue of a Recreation permit for commercial recreation purposes over part of the lease (3 year term from 1 October 1997) but there is no indication on file as to whether this was ever granted or is running on.
- 2) ECNZ advised the lessee on 28 August 1996 of proposals to implement commitments arising from the Lake Coleridge Working Party process to renew consents. This involved the construction of two toilets on the lease beside Lake Stream near its junction with the lake. The arrangements included the requirement for the lessees and the Crown's to agree to this use and the legalisation of any formal agreement (easements) being at the ECNZ's cost. It appears no agreement or legalisation of this action has been undertaken.
- 3) Approval was given in 1980 for the lessee to bulldoze a fenceline south of Boundary stream, the result being that an area of approximately 43.5 hectares of good grazable State Forest (now Conservation) land was fenced in with the lease and has been grazed for many years (*folios 325, 330, 334, on file P49*). Although the question of rationalisation was considered at renewal in 1986 (*folio 407*) and there is correspondence with DoC in July 1981 (*folios 727 and 728*) concerning the likelihood of incorporation of two areas of Conservation land into the lease no formal action has been undertaken.
- 4) On 27 September 1997 the Commissioner of Crown Lands notified the lessee of the values and new rental to apply as a result of rental review. The lessee was deemed to have accepted the terms. No action has been taken to register a Memorandum of Variation effecting the reviewed rent the lessees have been paying since 1 July 1998.
- 5) It is noted that an unregistered lease exists between the lessee and Landcare Research New Zealand Limited over the Harper Base facility (Section 1, SO 19909 - CT 44D/96) to overcome what would have otherwise been problematic boundary and access issues.

LAND STATUS REPORT for Glenthorne Tenure Review	LIPS Ref 12754
Property 1 of 3	

Research Data: Some Items may not be applicable

SDI Print Obtained	Yes.
NZMS 261 Ref	K34.
Local Authority	Selwyn District Council.
Crown Acquisition Map	Kemp Deed of Purchase.
SO Plans	<p>SO 3006 – Plan of Pts Oakden, Harper, Wilberforce and Coleridge Districts (1883).</p> <p>SO 5265 – Plan of RS 33507 (1884).</p> <p>SO 8759 – Plan of Res 4761 (Approved 23 September 1954).</p> <p>SO 10995 – Plan of Broken River (Approved 15 May 1968).</p> <p>SO 11563 – Plan of Wilberforce (Approved 26 February 1971).</p> <p>SO 15832 – Plan of Pt Run 280, RS 35507, Wilberforce River and Road (Approved 23 December 1981).</p> <p>SO's 15383 & 15384 – Plans of Pt Run 280, Road and Harper River (Approved 23 December 1981).</p> <p>SO 15387 – Plan of Pt Res 1578, Pt Run 280 Road and Harper River (Approved 23 December 1981).</p> <p>SO 16791 – Plan of Pt Run 281, Part RS 35507, Wilberforce Riverbed and Road (Approved 8 October 1986).</p> <p>SO's 16792 and 16793 – Plans of Pt Run 280, Road and Harper Riverbed.</p> <p>SO 16794 – Plan of Lot 1 DP 47652, Pt Run 280, Road and Riverbed (Approved 8 October 1986).</p> <p>DP 36791 – Lots 1 and 2 being Pt Res 1578 (Approved 16 September 1975).</p> <p>DP 47652 – Plan of Lot 1 being subdivision of Lot 2, DP 36791 and Pt Res 1578 (Approved 19 September 1984).</p>
Relevant Gazette Notices	<p><i>NZ Gazette 1988 p3670 (GN 766628/1)</i> acquired the leasehold estate of 30.3148 hectares for Generation of Electricity (subsequently set apart for Generation of Electricity by <i>NZ Gazette 1988 p 4089</i>).</p> <p><i>NZ Gazette 1988 p3872 (GN 770147/2)</i> declared 8.6150 of Run 280 to be road vested in the Methven County Council and stopped 4.2167 hectares of adjoining road.</p> <p><i>NZ Gazette 1988 p5048</i> declared the 4.2167 hectares of stopped road to be Crown Land subject to the Land Act 1948 (subsequently incorporated into the lease).</p> <p><i>NZ Gazette 1988 p3871</i> took Parts (3773 m²) of RS 35507 as severance and <i>NZ Gazette 1988 p5398</i> declared this land to be subject to the Land Act 1948 (subsequently incorporated into the lease).</p>

LAND STATUS REPORT for Glenthorne Tenure Review		LIPS Ref 12754
Property 1 of 3		
<i>Search continued..</i>		
CT Ref / Lease Ref	Pastoral Lease CL 529/72 pursuant to Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal 691341/1.	
Legalisation Cards	SO's 15382 – 15387 – superseded by SO's 16971 – 16974 SO's 16791 – 16794 – Legalisation completed (refer NZ Gazettes above)	
CLR	Confirms Pastoral lease tenure.	
Allocation Maps (if applicable)	DOC Allocation K34-1 (SO 17112) adjoining is stewardship land held under Section 62 Conservation Act 1987. SOE (Electricorp) K34 E1 and 2 (Proposed SOE transfers). SOE (Crown Research Institute) K34-9 (SO 17069) – Harper Base Field Station	
VNZ Ref – if known	VR 24260/1000.	
Crown Grant Maps	Not applicable	
If Subject Land Marginal Strip: a) Type [Sec 24(9) or Sec 58]	a) No provision made in lease for strips.	
b) Date Created	b) Not applicable.	
c) Plan Reference	c) Not applicable.	

LAND STATUS REPORT for Glenthorne Tenure Review		LIPS Ref 12754
Property 1 of 3		
<i>Search continued..</i>		
If Crown land – Check Irrigation Maps	Searched – Not applicable.	
Mining Maps	Searched – Not applicable.	
If Road a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ 1989 b) By Proc	a) SO Plan 10995 and 11563 - roads shown burnt. sienna on Topo Plan 50P and legal by either Crown Grant or Section 110A of the Public Works Act 1928. b) Proc Plan – SO's 16792-4. c) Gazette Ref NZ Gazette 1988 p 3872 (SO's 16792-4).	
Other relevant information a) Concessions – Advice from DOC or Knight Frank. b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998 c) Mineral Ownership d) Other Info	a) DOC interests adjoining the Craigieburn Conservation Area and Reserves 3300-3302. No concessions exist over the lease itself and the only interests are in Marginal Strips to be determined on disposition. Knight Frank (NZ) Limited do not appear to administer any concessions on this property. Refer to (1) in "Notes". b) Searched – Not applicable <input checked="" type="checkbox"/> Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under the 1848 Kemp Deed of Purchase d) Not applicable	